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No. 95-728

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In The
Supreme Court of the United States
October Term, 1995

WARNER-JENKINSON COMPANY, INC.,
Petitioner,
v.
HILTON DAVIS CHEMICAL CO.,
Respondent.

ON WRIT OF CERTIORARI TO THE UNITED STATES
COURT OF APPEALS FOR THE FEDERAL CIRCUIT

**BRIEF ON BEHALF OF THE AMERICAN AUTOMOBILE
MANUFACTURERS ASSOCIATION AS AN AMICUS
CURIAE IN SUPPORT OF THE PETITIONER**

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I. THE INTEREST OF AMICUS CURIAE

The American Automobile Manufacturers Association (hereinafter "AAMA") is a non-profit national trade association. Its member companies, Chrysler Corporation, Ford Motor Company and General Motors Corporation, are principally engaged in the production and sale of motor vehicles.

AAMA has no interest in which party may ultimately prevail in this case upon remand pursuant to this Court's legal guidance. Its sole interest is in the law that this case should establish. Consent documents from both parties have been filed with this brief.

To compete effectively in the worldwide automotive market, AAMA companies are heavily involved in technological development and the large financial investments needed to support that development. It is their view that decisions on when and how to undertake such investments cannot be made rationally without the assurance of a principled resolution of disputes concerning patents, and a consequent ability to determine effectively, generally without recourse to expensive litigation and unpredictable risks, the extent of existing patent rights. Hence, AAMA supports the Petitioner's argument to this Court that the patent law doctrine of equivalents, as set forth in the decision of the Court of Appeals for the Federal Circuit, misconstrues the prior decisions of this Court by permitting the finder of fact in patent infringement litigation to consider and to apply the doctrine of equivalents as an alternative theory of infringement liability in all cases without regard to equitable factors applicable to the parties.

II. THE CERTIFIED QUESTION

Inherent in the Question presented by the Petitioner is the request that this Court balance the statutory requirement for definiteness in patent claims with the equitable protection of the inventor from fraud upon the patent. Also inherent in the Question is whether the doctrine of equivalents, a wholly equitable doctrine, is for the court or for the jury to apply in the circumstances of a given case.

III. SUMMARY OF ARGUMENT

In accepting this case for review, the Court has acknowledged the Federal Circuit's request for guidance in the balance between law and equity in patent infringement cases. This Court last spoke on that fundamental issue of patent law over forty-six years ago in *Graver Tank & Mfg. Co., Inc. v. Linde Air Products, Inc.*, 339 U.S. 605, 70 S.Ct. 854 (1950). At that time, the Court confirmed that under the equity doctrine of equivalents, the trial

chancellor may deter "the unscrupulous copyist" who misappropriates a patented invention by making only insubstantial changes calculated solely to avoid the literal language of the patent claims. 339 U.S. at 607. The doctrine as then set out encouraged the disclosure of inventions by preserving for the inventor the benefit of his invention while sparing the inventor from the mercy of mere verbalism:

"The essence of the doctrine is that one may not practice a fraud on a patent." 339 U.S. at 608.

When the scope of commercial activity excluded by a patent is enlarged beyond the express wording of the patent claims, however, the doctrine of equivalents is inherently at odds with the legal requirements set forth in the Patent Act to delineate the boundaries of the limited monopoly bestowed on inventors in exchange for the public disclosure of their inventions. Specifically, the Patent Act mandates that an application for patent "shall include . . . a specification" which contains a "written description of *the invention* concluding with a claim *particularly* pointing out and *distinctly* claiming the subject matter which the applicant regards as his invention." (35 U.S.C. § 112, emphasis added.)

A patent is a limited exemption from the laws otherwise prohibiting monopolies, and the rights of the public must be acknowledged in defining the scope of patent protection. Among these is the right of the public, in confronting the patents of others, to avoid infringement by avoiding the subject matter expressly *claimed* by the inventor. Fair notice to the public of the boundaries of a patent promotes investment in the development of further "new and useful improvement" inventions, and encourages the marketing of lawfully competitive products "to promote progress" in furtherance of the constitutional goals of the patent system. (Art. I, sec. 8, cl. 8.)

There exists, therefore, a tension as between the legal requirement for certainty and the application of an equitable remedy to prevent injustice through fraud. Such a tension is not uncommon in civil litigation, and the doctrine of equivalents in patent cases is not unique in pursuing a balanced resolution of that tension. It is necessary, however, that an equitable remedy for the private litigant must not overwhelm the statutory mandates of the law. Equity determinations should remain reserved for the trial judge as chancellor in equity.

Essential to the balancing of this tension between law and equity is an appreciation of the real-world consequences of the balance struck. Understandably, courts have focused in these cases primarily on the parties before them: the patent owner and the accused infringer. Yet the impact of the infringement decision, because it involves the legal construction of a government-granted, limited monopoly, extends beyond the immediate parties and impacts the national interest as well.

In particular, because expansion of patent claims beyond their plain language undoes that certainty and predictability commanded by the patent statute as a fundamental condition for patentability, broadened construction of patent claims imposes a correspondingly increased burden on commerce which is not expressly contemplated by the patent statute. The patentee who cannot prove infringement except by resort to the equity doctrine of equivalents to expand the patent grant beyond its express terms imposes a dilemma of uncertainty and unpredictability not only on the accused infringer but on every other potential competitor as well.

Under the statutory plan adopted by Congress to carry out the Constitutional mandate, the public has the right to assess the legal scope and meaning of the words in a patent claim as a definite "metes and bounds" demarcation of the protected invention. The public is entitled to rely on the statutory mandate

of definiteness in the claiming of an invention. Correspondingly, the public should enjoy the right to be free of an indeterminate and unknown risk of infringement by a future jury finding of "equivalency", made regardless of the absence of copying and fraud on the patent by the accused infringer.

Since the *Graver Tank* decision, district courts and courts of appeals, including the Federal Circuit, have grappled with the mechanics of applying the doctrine of equivalents in their patent infringement analyses. As various tests have been developed for assessing whether or not the differences between an accused process or device and the claimed invention are "insubstantial", the lower courts have lost the focus originally placed by this Court on the *equities* existing between the parties. Today, infringement under the doctrine of equivalents is routinely submitted to the finder of fact as no more than another, alternative ground for recovery: a mere second time of a two-time test of infringement. As a consequence,

[The doctrine of equivalents] is a virtually uncontrolled and unreviewable license to juries to find infringement if they so choose.

Hilton Davis Chemical Co. v. Warner-Jenkinson Company, Inc., 62 F.3d 1512, 1538 (Fed. Cir. 1995) (Plager, dissenting).

For these reasons, AAMA, as amicus curiae to the Court, urges that the doctrine of equivalents be once again restored to the purpose for which it was created and applied by this Court in *Graver Tank*: an equity exception to the otherwise strict commandment for definiteness in patents.

IV. ARGUMENT

A. *The Fundamental Tension Between Law and Equity in Patent Infringement Cases*

The Patent Law mandate that a specification shall conclude with a claim which *particularly* points out and *distinctly* claims the subject matter which the applicant regards as his invention (35 U.S.C. § 112), is vital to a balance, in furtherance of the Constitutional purpose of the Patent Law, between the limited exclusionary rights granted to the inventor and the otherwise unburdened rights of the public to compete.

This Court mandated in *Graver Tank* that the equity doctrine of equivalents *may* enlarge the scope of a patent beyond the express words of its claims, but only to deter "the unscrupulous copyist." 339 U.S. at 607. The essential balance to be struck lies between the encouragement of the disclosure of inventions by their inventors and the securing to such inventors of benefit of their inventions without placing them at the mercy of mere verbalism because of insubstantial differences: that is, to prevent "a fraud on a patent." 339 U.S. at 608.

The decisions of the Federal Circuit since its creation in 1982, in considering and applying the doctrine of equivalents, have often been divided and inconsistent. So, too, is this split evident in the issuance of the opinion below in this case. Earlier decisions of the Federal Circuit recognized and attempted, however, to accommodate the needed balance between law and equity in determining patent infringement. For example, in *Hughes Aircraft Co. v. United States*, 717 F.2d 1351 (Fed. Cir. 1983), the Federal Circuit early noted:

The doctrine is judicially devised to do equity. "Courts have also recognized that to permit imitation of a patented invention which does not copy every literal detail would be to convert the protection of the patent grant into a hollow and useless thing."

717 F.2d at 1361 (quoting *Graver Tank*, 339 U.S. at 607).

Similarly, in *Great Northern Corp. v. Davis Core & Pad Co., Inc.*, 782 F.2d 159, 166 (Fed. Cir. 1986), the Federal Circuit had further cautioned that a trial court should "hesitate to expand this doctrine too far, to the point where patent counsel cannot rely at all on what the claims recite when advising on infringement."

Then, in *Pennwalt Corp. v. Durand-Wayland, Inc.*, 833 F.2d 931, 934 n.1 (Fed. Cir. 1987) (*en banc*), the Federal Circuit attempted to provide limiting guidance in defining the doctrine:

The doctrine of equivalents is limited in that the doctrine will not extend (1) to cover an accused device in the prior art, and (2) to allow the patentee to recapture through equivalence certain coverage given up during prosecution.

Yet, the Federal Circuit did not speak with one voice in the matter. Judge Nies, offering "additional views" in *Pennwalt* suggested that the public's interest in certainty with respect to the boundaries of patent claims requires adherence to the statutory requirements of claim definition:

Congress placed in the statute the requirement that the patent application "conclude with one or more claims particularly pointing out and distinctly claiming the subject matter which the applicant regards as his invention." . . . That requirement reflects the need for notice of what constitutes violation of a patentee's rights. . . . An infringement standard as vague as application of the "invention as a whole," which permits claim limitations to be read out of the claim, would nullify the statutory requirement and violate due process.

833 F.2d at 954. Judge Newman, offering further "commentary," observed that the doctrine of equivalents is susceptible neither to precise formulation, nor to abdication to the whim of the jury:

The doctrine can not, by its nature, be reduced to rigid rules. Determination of equivalency is not unlike determination of substantial similarity in copyright law or determination of nonobviousness in patent law. Such determinations require judicial wisdom, not a catalog of narrow rules. . . . The vitality of the doctrine of equivalents has been tested and reaffirmed for a hundred years. . . . [T]he doctrine depends for its implementation on judicial wisdom.

833 F.2d at 970.

Thus, the Federal Circuit has in the past recognized the need to maintain a proper balance between the legal requirement of claim specificity and the equitable consideration of maintaining protection of the full scope of the patentee's invention:

The doctrine of equivalents creates "one of the many difficult dichotomies that lurk in the lacunae of patent law. . . . On one side rests the very important, statutorily-created necessity of employing the clearest possible wording in preparing the specification and claims of a patent, one of "the most difficult legal instruments to draw with accuracy." . . . On the other lies the equally important, judicially-created necessity of determining infringement without the risk of injustice that may result from a blindered focus on words alone. . . . The former, set out in 35 U.S.C. § 112, recognizes a competitor's need for precise wording as an aid in avoiding in-

fringement. The latter is called the "doctrine of equivalents." While requiring a look at all the words while resisting their tyranny, and requiring, because the claims measure the invention, a look at all claim limitations, the doctrine, in a proper case, "temper[s] unsparing logic and prevent[s] an infringer from stealing the benefits of an invention." . . . In that sense, the doctrine recognizes a fact of the real business world: words are not appropriated; claimed inventions are.

Laitram Corp. v. Cambridge Wire Cloth Co., 863 F.2d 855, 856-57 (Fed Cir. 1988).

B. The Patent Statute Requires Specificity in Claiming in Order to Inform the Public of the Boundaries of the Patented Invention

1. The Public Has A Right to Practice Outside the Literal Language of the Patent Claims Free of the Risk of Unforeseeable Infringement Liability

In confronting the patents of others, the public is entitled to enjoy a fundamental freedom to steer clear of the risk of unintended infringement by avoiding, in good faith, the *literal* definition of the inventor's *claimed* subject matter. Industry and commerce should not only be permitted, but should even be encouraged, to exercise this right because of the important public benefits which result from the stimulation of further innovation and the fostering of fair competition in the marketplace.

a. Stimulation of Further Innovation is an Important Public Benefit of the Patent System

The public disclosure of the patented invention and how to make and use it, required under 35 U.S.C. 112, is a fundamen-

mental element of the policy underlying the patent system. The early disclosure of the invention by publication serves an invaluable public purpose in encouraging investment in the development of *further* "new and useful improvement" inventions. 35 U.S.C. § 101. The Federal Circuit has clearly recognized this vital objective:

Designing around patents is, in fact, one of the ways in which the patent system works to the advantage of the public in promoting progress in the useful arts, its constitutional purpose. . . . Inherent in our claim-based patent system is also the principle that the protected invention is what the claims say it is, and thus that infringement can be avoided by avoiding the language of the claims. . . . It is only when the changes are so insubstantial as to result in "a fraud on the patent" that application of the equitable doctrine of equivalents becomes desirable.

Slimfold Manufacturing Co., Inc. v. Kinkead Industries, Inc., 932 F.2d 1453, 1457 (Fed. Cir. 1991); Yet again in this case:

The ability of the public successfully to design around — to use the patent disclosure to design a product or process that does not infringe, but like the claimed invention, is an improvement over the prior art — is one of the important public benefits that justify awarding the patent owner exclusive rights to his invention.

Hilton Davis, 62 F.3d at 1520.

b. *Encouragement of the Marketing of Competitive Products Promotes the Constitutional Goal of the Patent System "To Promote Progress"*

The Constitutional foundation of the Patent Law encourages the marketing of lawfully competitive products "to promote progress" in furtherance of the goals of the patent system. Art. I, sec. 8, cl. 8. The Federal Circuit has reiterated that "designing around" the boundaries of a patent "is the stuff of which competition is made and is supposed to benefit the consumer." *Hilton Davis*, 62 F.3d at 1520. The investment of capital resources into the development and marketing of any product, of course, is determinatively influenced by the perceived risk and reward attendant to the investment. In addition to the ordinary risks of marketing a product, the increased risk to an independent developer that a jury may unpredictably expand the claims of another's patent to encompass the product which literally avoids infringement can effectively stifle competition far beyond the legitimate bounds of the grant.

2. *Reliance on the Doctrine of Equivalents Circumvents the Role of the Patent Office and Undermines the Basis for the Statutory Presumption of Validity*

An issued United States patent enjoys a statutory presumption of validity in litigation against infringers. 35 U.S.C. § 282. The presumption arises from the examination process to which the patent application has been subjected in the Patent Office, resulting in the issuance of claims of carefully defined scope. In deference to this agency expertise, the patent examiner is initially presumed to have done the job properly in allowing the patent to issue. See, e.g., *Custom Accessories v. Jeffrey-Allen Industries*, 807 F. 2d 955, 961 (Fed. Cir. 1986).

The doctrine of equivalents, when broadly construed, undoes this examination of the scope of claims crafted in the Patent Office. Expansion of claims by the fact finder during later infringement litigation deprives the public of the expert scrutiny of the agency responsible for ensuring that issued patents contain valid claims. The statutory presumption of validity for such expanded claims does not exist.¹

Where a patent originally issues with claims later thought by the patentee to be narrower in scope than those to which the inventor was otherwise entitled, the patentee is not without remedy. The Patent Act contains express remedial provisions for reissue of just such a "defective" patent:

Whenever any patent is, through error without any deceptive intention, deemed wholly or partly inoperative or invalid, by reason of a defective specification or drawing, or by reason of the patentee claiming more or less than he had a right to claim in the patent, the Commissioner shall, upon surrender of such patent and the payment of the fee required by law, reissue the patent for the invention disclosed in the original patent, and in accordance with a new and amended application, for the unexpired part of the term of the original patent.

¹ The present case amply illustrates the dimensions of the problem where claims are expanded without regard to the equities, which were deemed irrelevant by the Federal Circuit. The patent claim granted by the Patent Office following extensive proceedings expressly restricts the protected invention to ultrafiltration at "a pressure of approximately 200 to 400 p.s.i.g., at a pH level of approximately 6.0 to 9.0". *Hilton Davis* at 1515. By contrast, the claim as enlarged by the jury and the trial court under color of the doctrine of equivalents covers ultrafiltration "except at pressures above 500 p.s.i.g. and pHs above 9.01". *Id.* at 1516. Accordingly, as to both the pressure and pH limitations, the lower boundaries of the original patent grant were completely erased. Further, as to the pressure limitation, the upper boundary of the original patent grant was substantially raised. In this process of "re-granting" the patent under the doctrine of equivalents, the sole patent granting body authorized by Congress under its Constitutional mandate, the Patent Office, was totally bypassed without due consideration of any compelling equities.

35 U.S.C. § 251. The statute and its implementing regulations set forth appropriate conditions and requirements for obtaining a reissue patent. Those requirements are fundamental to Congress' intent and purpose, and apply to all patentees. Once reissued, broadened patent claims are clear and definite for evaluation by all prospective competitors. Indeed, their definiteness is enhanced by the limited statutory time available for reissue, and the intervening rights which may arise from prior reliance by the public on the language of the original, narrower claims.

The application of the doctrine of equivalents as a means for patent claim broadening should only arise when demanded by equity to remedy a fraud upon a patent by the "unscrupulous copyist." Expansive application of the doctrine of equivalents where the requirements for reissue have not been met nullifies the statutory framework expressly crafted by Congress.

An important aspect of the reissue provisions of the Patent Act is the express limitation of the time during which a patentee is permitted to seek a broadening of the claims of a patent. Section 251 of the Patent Act requires that such "broadening reissue" applications be filed within two years of the issuance of the patent. Moreover, 35 U.S.C. § 252 protects, to a significant extent, the commercial activities of competitors by affording "intervening rights" to those who made substantial investment in reliance on those original claims.

The use of the doctrine of equivalents as a mere alternate theory of infringement upsets this statutory scheme by discouraging the patentee from seeking reissue.² By relying instead on the doctrine of equivalents to expand the scope of the patent, the patentee avoids the reissue proceeding and the risk that the patent office, applying its expertise, will refuse

² Of the 201,544 United States patent applications filed in fiscal 1994, only 340 were reissue applications. *Working for Our Customers: A Patent and Trademark Office Review*, Fiscal Year 1994, U.S. Department of Commerce (1994), at 62.

to broaden the claims. Importantly, the patentee can evade the two year statutory limitation, and the jury can be asked to apply the claims broadly at any time during the full patent term. The party who invests in reliance on the presumptively definite limitations of the original patent claims, and who would have acquired intervening rights under a *timely* reissue examination proceeding, is placed at risk by a doctrine of equivalents applicable by the Federal Circuit as an automatic second test of infringement, regardless of the equities between the parties.

C. The Doctrine of Equivalents Destroys Certainty and Imperils Innocent Innovators

1. The Uncertainty Engendered by the Doctrine of Equivalents Imposes a Dilemma on All Potential Competitors of the Patentee

The potential competitor, facing a patentee who may rely on the equity doctrine of equivalents to exclude competition outside the literal boundaries of the patent claims, cannot reasonably anticipate the scope of "equivalents" that a jury might apply in future infringement litigation. This uncertainty exists despite the public right under the statutory framework of the Patent Act to assess the legal scope and meaning of a patent as a definite demarcation of the invention under its literal wording, and despite the public right to rely on the statutory mandate of definiteness in the claiming of an invention. 35 U.S.C. § 112. The Court should correct this hazard of uncertainty, made in the misconstruction of this Court's ruling in *Graver Tank*,³ and restore to the public its right to

³ In this case, four judges of the Federal Court recognized that this problem was one largely of its own making:

Responsibility for these problems and for the unsatisfactory situation they create lies with the judges. It is the result of how we have

be free of an indeterminate and unknown risk of infringement by a future jury finding of "equivalency."

The doctrine of equivalents should be returned to its proper role as an exceptional tool of equity to deter the unscrupulous copyist. Only the trial judge, in the exercise of sound judicial discretion, may properly assess the relevant equities existing between the parties and remedy the unfair conduct of an unscrupulous copyist. The doctrine of equivalents should no longer be "a virtually uncontrolled and unreviewable license to juries to find infringement if they so choose." *Hilton Davis*, 62 F.3d at 1538 (Plager, dissenting).

2. Indefiniteness Clouds the Entire Spectrum of American Technology and Commerce

The success of the American domestic economy and its future growth depend heavily on multi-product and broad-range marketers such as the American automobile manufacturers. The American automotive manufacturing industry employs over 933,000 Americans⁴ and contributes over \$285 Billion,

interpreted Supreme Court opinions on the matter, and how, largely by default, we have permitted the practice of patent litigation to take the shape it now is in. It is our responsibility to address the situation, and to take effective corrective action. We and the Supreme Court are the only two appellate courts with authority to do this. It is regrettable that, in today's opinion, the majority abdicate this responsibility, leaving to the Supreme Court the obligation of attending to the problem if it is to be attended to at all.

62 F.3d at 1538-39 (Plager, J., dissenting). However, the majority, as echoed by Judge Newman, felt that the solution to the problem, to the extent it exceeds the majority's reading of *Graver Tank*, was beyond its purview.

Indeed, any change in the legal and factual fundamentals so explicitly laid out by the Supreme Court are beyond our judicial authority.

62 F.3d at 1529 (Newman, J., concurring).

⁴ *Employment and Earnings*, U.S. Department of Labor, Bureau of Labor Statistics (1995 preliminary figure.)

or 4.2% of our Gross Domestic Product annually.⁵ Exports of motor vehicles and parts from the United States in 1994 exceeded \$57 Billion, accounting for 11.4% of all U.S. merchandise exports.⁶ American motor vehicle and equipment manufacturers invested over \$15.8 Billion in capital assets in 1994.⁷ In addition, American automobile manufacturers spent over \$13 Billion on research and development activities in 1994.⁸

Because of this material impact which the American automotive manufacturing industry has upon the overall competitive economy of the country, the corresponding impact of the patent system on that industry is of great importance to the general public. When extended to include the added economic importance of other domestic industries similarly affected by the grant of United States patents, the issues raised by the question presented to the Court here become vital to the needed balance between incentive and reward for all industries.

In pursuing their diversified interests, American industries necessarily confront a great range of patents properly assessed by them to be *not* infringed by the *definite, literal* language of their claims. However, the uncertainty, prior to litigation, of the scope of any patent claim in the hands of a jury or judge creates an enormous burden on industry and commerce when it is multiplied across the broad spectrum of technologies and the great numbers of patents encountered even in a single industry. The statutory mandate of definiteness in the claiming of a patentable invention is effectively erased when the equity

⁵ *Survey of Current Business*, U.S. Department of Commerce, Bureau of Economic Analysis.

⁶ *Id.*

⁷ *New Plant and Equipment Expenditures*, U.S. Department of Commerce, Bureau of the Census (1994 Report) (planned capital spending by U.S. businesses).

⁸ As published in *AAMA Motor Vehicle Facts & Figures* (1995) and compiled from the company annual reports of Chrysler Corporation, Ford Motor Company and General Motors Corporation, as filed with the Securities and Exchange Commission.

determination of infringement is left to the uncertainty of future jury fact findings of equivalency. The definite thus becomes the unpredictable.

In fiscal 1994, the last year for which complete statistics are presently available, over 113,000 United States patents issued.⁹ The patent library maintained at AAMA contains many *thousands* of unexpired patents applicable to the automotive industry. For an automobile manufacturer investing substantial sums (amounting to billions of dollars) in the research and development of new products and processes over the multi-year term required for new vehicle creation, it is an immense task to maintain an awareness of the *literal* claim limitations of possibly relevant patents issued in the field. When the task is compounded to require anticipation of the extent to which such claims might later be enlarged beyond their express terms by a jury or judge applying the doctrine of equivalents, the burden becomes impossible as a practical matter, and the corresponding risk that looms is incapable of rational assessment. Yet, where the doctrine of equivalents is made routinely available without regard to compelling equities, every patent literally not infringed still remains a continuing source of possible ambush, based on an unknown and unknowable future contention of infringement against a wholly independent and "innocent" development. Indeed, the expanded scope of judicially enlarged claims may likely be established for all practical purposes against a party who is free of any inequitable copying because of adjudications under different circumstances against other parties and other products.

⁹ *Working for Our Customers: A Patent and Trademark Office Review*, Fiscal Year 1994, U.S. Department of Commerce (1994)

D. The Proper Balance Between Law and Equity in Patent Infringement Cases Should Be Restored

1. The Federal Circuit Majority Has Lost Sight of the Special Equity Roots of the Doctrine of Equivalents

The intent of this Court in defining the doctrine of equivalents forty-six years ago was clearly stated. The essence of the doctrine is that one may not practice a fraud on a patent. *Graver Tank*, 339 U.S. at 608.

Over the years, however, the doctrine has devolved into a mere alternative theory of recovery for patent infringement. Restriction of the doctrine only to those cases in which equity demands its application to remedy a copyist's fraud on the patent through "insubstantial" differences has been abandoned:

[i]n doctrine of equivalents cases, this court's allusions to equity invoke equity in its broadest sense — equity as general fairness.

Hilton Davis, 62 F.3d at 1521.

* * *

The doctrine of equivalents has no equitable or subjective component.

Id. at 1523. This is a far cry from the previous position of the Federal Circuit as a guardian of the public right:

Application of the doctrine of equivalents is the exception, . . . not the rule, for if the public comes to believe (or fear) that the language of patent claims can never be relied on, and that the doctrine of equivalents is simply the second prong of every infringement charge, regularly available to extend protection beyond the scope of the claims, then claims will cease to serve their intended purpose. Competitors

will never know whether their actions infringe a granted patent. . . . This equitable doctrine evolved from a balancing of competing policies, each of which supports the Constitutional purpose of promoting the "useful arts." U.S. Const. art. I, 8, cl. 8.

London v. Carson Pirie Scott & Co., 946 F.2d 1534, 1538 (Fed. Cir. 1991).

The Federal Circuit has now abandoned this carefully crafted balance between law and equity in patent cases. That balance can only be restored by this Court.

2. The Court Should Restore the Fundamental Restriction of the Doctrine of Equivalents Only to the Equity Restraint Against Fraud on Patents

The determination of patent infringement is a two step process. First, the Court must interpret and define the scope of the patent claims. *Southwall Technologies, Inc. v. Cardinal IG Co.*, 54 F.3d 1570 (Fed. Cir. 1995); *Markman v. Westview Instruments, Inc.*, 52 F.3d 967, 976 (Fed. Cir. 1995) (*en banc*); *Read Corp. v. Portec, Inc.*, 970 F.2d 816, 821 (Fed. Cir. 1992). The jury is then charged to compare the claims, as properly interpreted, to the accused product or device. *Id.*

This should be the full extent of the jury's role in the infringement analysis. The jury should not be asked to assess the equitable factors which inform the application of the doctrine of equivalents. The doctrine should be applied only as an ultimate equity determination by the court, not as a question of fact by the jury.

The restoration of definiteness to the patent system by adherence to the statutory requirements, except where equity otherwise demands, best furthers the constitutional purpose of "promoting progress." When competitors can rely in good faith

on the language allowed by the Patent Office in the claims of the issued patent, without the fear of arbitrary and virtually unbounded expansion of the claims by a jury in an infringement suit, then the incentives of the patent system will be revitalized. Investment in further improvements to inventions disclosed in patents will be rewarded in the marketplace without fear of being undone in the courtroom. Those who misappropriate the patented invention by inequitably exploiting the limitations of claim language will, however, still remain subject to the proper invocation of the equity doctrine of equivalents, by the trial judge, to prevent injustice. Patent applicants, for their part, will be further motivated to obtain the best allowable patent claims through comprehensive examination in the Patent Office, using supplemental examination procedures such as reissue where appropriate, and will no longer be rewarded for circumventing the statutory procedures in favor of jury-made claim expansion after the fact.

V. CONCLUSION

For all of the reasons set forth above, AAMA urges the Court to re-affirm and clarify its prior jurisprudence and hold that the doctrine of equivalents is an equitable remedy to be applied only at the discretion of the Court, and not by a jury. Only in this way can the proper balance between law and equity in patent infringement cases be restored. The application of the equitable doctrine of equivalents must be restricted only

to those cases where compelling equity considerations require its application by the Court to prevent injustice through fraud.

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